

(b) whether a few nationalised banks were also found to be conniving with the fraudulent exporters; and

(c) if so, the details of the probe findings and the names of exporters and banks *prima-facie* found involved in the scam?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) :** (a) Yes, Sir. The Government had ordered last year detailed investigation into certain fraudulent exports from India to Russia effected by several Indian garment exporters against re-payment of State Rupee Credit.

(b) and (c) The probe so far has revealed several shipments having been effected by different exporters to Russia, but these were off-loaded en-route and handed over to third parties mostly in Dubai. Further investigations in these cases are still in progress.

**Action against tainted companies**

**1755. SHRI J. CHITHARANJAN:**

**SHRI V.V. RAGHAVAN:**

**Will the Minister of FINANCE be pleased to state:**

(a) which are the companies treated as tainted in the report on rigging of share price submitted recently by the Securities and Exchange Board of India;

(b) whether Reserve Bank of India / Government had formulated the eligibility / guidelines for disqualifying such tainted companies; and

(c) whether Reserve Bank of India / Government had disqualified such companies?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):** (a) to (c) Information is being collected and will be laid on the Table of the House.

**Recession in share market**

**†1756. SHRI JANESHWAR MISHRA:** Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is recession in Indian share market now-a-days; and

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†Original notice of the question was received in Hindi.

[7 August, 2001]

**RAJYA SABHA**

**(b) if so, the details thereof?**

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) :** (a) and (b) SEBI has intimated that the BSE Sensex has declined from 5001 on March 31, 2000 to 3604 on March 31, 2001, a decline of 28%. The Sensex closed at 3329 on 31st July, 2001, which is a further decline of 7.6% from its March, 2001 level.

**Reasons for devaluation of rupee against US dollar**

**†1757. SHRI D.P. YADAV:** Will the Minister of FINANCE be pleased to state:

(a) whether Government are taking any action to check devaluation of rupee at its current lower level of Rs. 47.20 per US dollar; and

(b) if so, what are the reasons for devaluation of rupee inspite of being sufficient reserves of foreign exchange?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):** (a) and (b) The exchange rate of the rupee against the US dollar is largely determined by demand and supply conditions in the foreign exchange markets in India. The rupee-dollar rate is also influenced to some extent by the strength of the US dollar in the international currency markets. Under this system, the exchange rate of the rupee against the US dollar moves in both directions on a day to day basis. On August 2, 2001, the exchange rate was Rs. 47.12 per US dollar. The Reserve Bank of India monitors closely the developments in the financial markets at home and abroad and takes such monetary and other measures as it considers necessary from time to time to smoothen excessive volatility in the exchange rate and to ensure orderly conditions in the foreign exchange market.

**Functioning of rural banks**

**1758. PROF. M.M. AGARWAL:** Will the Minister of FINANCE be pleased to state:

(a) the details of financial institutions/rural banks/banks etc. functioning in the rural areas of Uttar Pradesh, Delhi, Bihar, Rajasthan, Orissa, Madhya Pradesh and NER States alongwith the details of total deposit and working capital of each bank;

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<sup>†</sup>Original notice of the question was received in Hindi.